



*Inspector General Act of 1978  
Twenty-fifth Anniversary*



Agency for International Development ★ Amtrak ★ Appalachian Regional Commission ★ Central Intelligence Agency ★ Commodity Futures Trading Commission ★ Consumer Product Safety Commission Corporation for National and Community Service ★ Corporation for Public Broadcasting ★ Department of Agriculture ★ Department of Commerce ★ Department of Defense ★ Department of Education Department of Energy ★ Department of Health and Human Services Department of Homeland Security ★ Department of Housing and Urban Development ★ Department of the Interior ★ Department of Justice Department of Labor ★ Department of State and the Broadcasting Board of Governors ★ Department of Transportation ★ Department of the Treasury ★ Department of Veterans Affairs ★ Environmental Protection Agency ★ Equal Employment Opportunity Commission ★ Farm Credit Administration ★ Federal Communications Commission ★ Federal Deposit Insurance Corporation ★ Federal Election Commission ★ Federal Housing Finance Board ★ Federal Labor Relations Authority ★ Federal Maritime Commission ★ Federal Reserve Board ★ Federal Trade Commission ★ General Services Administration ★ Government Printing Office ★ Legal Services Corporation ★ National Aeronautics and Space Administration ★ National Archives and Records Administration National Credit Union Administration ★ National Endowment for the Arts National Endowment for the Humanities ★ National Labor Relations Board ★ National Science Foundation ★ Nuclear Regulatory Commission Office of Personnel Management ★ Peace Corps ★ Pension Benefit Guaranty Corporation ★ Railroad Retirement Board ★ Securities and Exchange Commission ★ Small Business Administration ★ Smithsonian Institution ★ Social Security Administration ★ Tennessee Valley Authority ★ Treasury Inspector General for Tax Administration U.S. International Trade Commission ★ United States Postal Service

*Offices of Inspector General*

*Promoting* Semiannual Report to Congress  
*Economy, Efficiency, Effectiveness, and Integrity*  
April 1, 2003 through September 30, 2003

# Message To The Chair

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October 30, 2003

The Honorable Cari M. Dominguez,  
Chair  
Equal Employment Opportunity Commission  
Washington, D.C. 20507

Dear Madam Chair:

Pursuant to the *Inspector General Act of 1978*, (IG Act) *Public Law 95-452, as amended*, Section 5(b), I am providing the Office of Inspector General's (OIG) Semiannual Report to Congress summarizing our activities for the 6-month period that ended September 30, 2003. The *IG Act* requires you to submit this report, and the management report prepared by the Office of the Chief Financial Officer and Administrative Services, to the appropriate committees or subcommittees of the Congress within 30 days of receipt.

As I reflect on this 25<sup>th</sup> Anniversary of the *Inspector General Act*, I applaud OIG's evolution with the changing environment of today's workplace. New responsibilities and challenges have emerged and we have progressed beyond the traditional role of promoting economy and efficiency, and fighting fraud, waste, and abuse and have become agents of positive change. The *Accountability of Tax Dollars Act of 2002* gave OIG a critical role in ensuring the audit of agency financial statements; the *Federal Information Security Management Act* requires our assessment of information security efforts; and, we've identified significant management challenges to ensure the effective implementation of the President's Management Agenda. Finally, the realities of continued budget shortfalls and today's mobile workforce led to our study of frequent telework to reduce real estate costs in four field offices. OIG's efforts lend support to accomplishing the agency goals performance.

As we continue to improve our programs and operations, we offer our appreciation for your support and cooperation and that of your management team and Commission employees. As you lead the agency in this time of repositioning for new realities, we offer our support in securing EEOC's continued effectiveness.

Sincerely,

Aletha L. Brown  
Inspector General

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## Executive Summary

This Semiannual Report to the Congress, issued by the Equal Employment Opportunity Commission's Office of Inspector General, summarizes activities and accomplishments for the period April 1, 2003 through September 30, 2003. Highlights of OIG's activities and accomplishments include:

- an independent assessment of the Agency's FY'03 Federal Information Security Management Act compliance, as required by the *Federal Information Security Management Act (FISMA)*.
- review of EEOC's progress in implementing the President's Management Agenda (PMA). OIG plans to report its findings to the Chair during the first quarter of FY 2004.
- a general assessment of the Agency's 2004 *Annual Performance Plan* and 2002 *Annual Performance Report*, pursuant to the provisions of the *Government Performance and Results Act (GPRA)* of 1993, to determine how well EEOC reports and supports GPRA performance information. OIG issued a draft report in September 2003 and plans to issue the final report in November 2003.
- a continued evaluation of the use of frequent telework as a potential means of reducing Agency infrastructure costs by initiating an evaluation of EEOC's Headquarters infrastructure and space utilization. OIG plans to submit a draft report to management for comment in December, 2003. The IG discussed results of the telework study in a presentation to the Commission at its September 8, 2003 meeting, "Repositioning for New Realities".
- an update of the *Audit and Evaluation Policy and Procedures Manual*, which provides general guidance for auditors, evaluators and other OIG personnel in the performance of their professional responsibilities. The manual is expected to be distributed during the first quarter of FY 2004.
- the successful completion of several investigations involving allegations covering matters such as: the acceptance of prohibited gifts; falsification of travel vouchers; unauthorized use the Agency's logo; and the unauthorized establishment and operation of a website. Summaries containing details of these investigations appear in *The Investigation Program* section of this report.
- staff participation in professional development activities such as completion of the President's Council on Integrity and Efficiency (PCIE) pilot Leadership Development Workshop held at the Federal Executive Institute Center for Executive Leadership and Basic Criminal Investigator Training at the Federal Law Enforcement Training Center (FLETC) in Glyncro, Georgia.

## The Equal Employment Opportunity Commission

The Equal Employment Opportunity Commission (EEOC) was established by *Title VII of the Civil Rights Act of 1964* and began operating on July 2, 1965. The EEOC enforces *Title VII of the Civil Rights Act of 1964*; the *Age Discrimination in Employment Act of 1967*; the *Equal Pay Act of 1963*; *Title I and Title V of the Americans with Disabilities Act of 1990*; *Sections 501 and 505 of the Rehabilitation Act of 1973*; and the *Civil Rights Act of 1991*.

The EEOC has enforcement authority for equal employment opportunity in the private sector and the federal sector. In the private sector, outreach events provide education and technical assistance. Statutes, regulations and guidelines are enforced by investigating allegations of discrimination; making findings on those allegations; resolving charges through mediation, settlement, or conciliation during the administrative enforcement process; and, litigating cases of employment discrimination. In the federal sector, outreach, education and technical assistance is provided; hearings are held on complaints of discrimination filed in federal agencies; and appeals of complaints of discrimination are considered. EEOC contracts with Fair Employment Practices Agencies, which address employment discrimination within the respective state and local jurisdictions, and works with Native American Tribal Employment Rights Organizations to promote employment opportunities for Native Americans on or near a reservation.

Through its headquarters in Washington, D.C., the operations of 51 field offices nationwide, 2765 employees, and a Fiscal Year 2003 budget of \$323 million, EEOC provided leadership in the coordination of federal agencies' enforcement of all federal equal employment opportunity statutes, Executive Orders, regulations, and policies.

Current highlights of accomplishments may be accessed through [www.eeoc.gov](http://www.eeoc.gov).

## Management Challenges Facing EEOC

The organizational structure of EEOC is hierarchical and 80 percent of its budget is devoted to fixed costs (including compensation, benefits and rent). The remaining amount is primarily devoted to mediation, litigation support, state and local programs, outreach and technology. Further, demographic shifts and the changing business environment require better resource allocation and distribution nationwide. There are few resources remaining for the human capital investments and workload redistribution requirements needed to respond to workplace changes. This scenario represents EEOC's most critical management challenge.

On September 8, 2003, the Commission held a meeting on "Repositioning for New Realities: Securing EEOC's Continued Effectiveness". This meeting allowed employees, experts and stakeholders an opportunity to discuss their perspectives on structure and workforce issues confronting the agency. At the heart of these issues were recommendations contained in reports

from a National Academy of Public Administration (NAPA) workforce restructuring study, and an OIG assessment of expanded telework options to reduce real estate costs, issued in January/February 2003. Recommendations from these reports will guide the development of a workforce restructuring plan, which will profoundly influence the strategic management of human capital initiative. Funds have been requested in the FY 2004 budget to implement the management decisions resulting from the NAPA and OIG studies.

As reported in the last period, the Agency continues to make progress on the President's Management Agenda (PMA) initiatives. On October 1, 2003, a revised Strategic Plan for FY 2004 - 2009 period was implemented. The FY 2004 budget request and annual performance plan, initiated this approach and focused on better measures to assess the results of Agency programs and accomplishments. For the first time, funding was tied to specific goals in the Strategic Plan. In future years, funding will be allocated at more detailed levels to enhance the budget and performance integration effort.

The most important criterion for improved financial performance under the PMA is an unqualified opinion on the Agency's financial statement audit. OIG completed a practice audit of the FY 2002 financial statements earlier this year. This exercise served to prepare management for the audit which is required by the *Accountability of Tax Dollars Act of 2002*. During the reporting period, OIG initiated the FY 2003 financial statements audit work. A draft report is expected in December 2003.

Agency efforts in competitive sourcing continue. Additional positions were identified as suitable for competition with the private sector in this year's *Federal Activities Inventory Reform Act* submission. In FY 2004, the full cost of all work, as defined by *Circular A-76*, will need to be incorporated into the Agency's daily budget and acquisition process.

Improvements in EEOC's technological infrastructure will enable it to proceed with major initiatives to provide more extensive electronic government. The routing and managing of all procurement documents and the conduct of e-Commerce is now handled through the Agency's Integrated Financial Management System's procurement module. Frequent travelers are being supported by "Travel Manager" software and e-ticketing will be offered in the future. During FY 2003, an e-learning opportunity was piloted with full implementation expected in FY 2004. Additionally, various ways for the public to electronically interface with EEOC are being designed. For example, an approach for charging parties to provide on-line information about allegations of discrimination before filing a charge is being developed.

## The Office Of Inspector General

The *Inspector General Act of 1978* was passed to ensure a level of integrity and efficiency that fulfills the American taxpayer's expectation for excellence and accountability in the Federal Government and its programs. Inspectors General are under the general supervision of the agency head and have substantial independence, authority and responsibility to conduct audits and investigations of agency programs. They have direct access to all agency records and materials

(physical and electronic); issue subpoenas for necessary information, data, reports, and other evidence; administer oaths before taking testimony; hire staff; and request assistance from other Federal, state and local government agencies. They also act as independent fact finders, often undertaking initiatives at the request of the agency head, and provide assessments in such areas as financial management systems and internal controls. Generally, the Inspector General (IG) and agency management pursue the same goal of efficient and effective program operation and service delivery.

Congress established an Office of Inspector General at the EEOC through the 1988 amendment of the *Inspector General Act*, which expanded authority to independent agencies and federal entities. OIG's primary responsibility is to assist the EEOC by ensuring integrity, efficiency, and accountability in the agency's programs to enforce laws against discrimination in the workplace. Specifically, OIG supports the Agency by carrying out its mandate to independently and objectively conduct and supervise audits and investigations; prevent and detect fraud, waste, and abuse; and promote economy and efficiency in programs and operations. The OIG keeps EEOC's Chair and members of the Congress fully and currently informed about problems, recommends corrective action(s), and monitors the EEOC's progress in implementing such action.

The OIG is under the supervision of the IG, who provides overall direction, coordination, and leadership to staff. The OIG includes a Deputy Inspector General, an audit and evaluation staff, an investigation staff, an independent counsel, and an administrative staff. The Deputy Inspector General serves as alter ego of the Inspector General and has the responsibility for providing overall program guidance, direction and supervision to the Audit, Evaluation and Investigation Programs.

## The Audit and Evaluation Program



The Audit and Evaluation Program provides assurance to the Chair and Congress that EEOC programs are working efficiently and effectively. The audit staff conducts performance and financial audits, as well as special reviews and evaluations. These audits focus on management controls, administrative and program operations, transaction processing and financial and other information systems. In special evaluations, the OIG considers the implications of EEOC programs, operations and policies.

*All work conducted under the Audit and Evaluation Program supports the OIG Strategic Goal to improve the economy, efficiency, and effectiveness of EEOC programs, operations, and activities, and also supports EEOC's Five-Point Plan initiative, "EEOC as a model workplace."*

### Completed Assignments

#### ***Independent Assessment of Federal Information Security Management Act Compliance***

The *Federal Information Security Management Act* (FISMA) requires Inspectors General (IGs) to conduct annual independent assessments of agency automated information systems in an effort to help ensure the integrity and security of those information systems.

During FY 2003, the IGs were directed by the Office of Management and Budget (OMB) to determine agencies' compliance with *FISMA* against specific performance measures prescribed by OMB. Furthermore, IGs were requested to determine whether agencies have developed, implemented, and managed an agency-wide plan of action and milestone process. OIG found that EEOC has: (1) complied with requirements as stipulated in *FISMA*; and (2) that the Agency has procedures in place to manage an Agency-wide plan of action and milestones process.

#### ***Management Advisory - Results Regarding the Office of Inspector General Questionnaire***

The Office of Inspector General (OIG) issued a questionnaire to all field office directors regarding information security training. The objective of this questionnaire was threefold, OIG attempted to: (1) obtain data about the amount of information security training that is conducted in field offices, (2) obtain an understanding of the level of formal IT training field offices' information technology specialist/computer assistants have received; and (3) identify the number of offices that had received and distributed the OIT information security bulletin entitled, *Information Technology (IT Security)*. Based on the results of our survey, OIG found that: (1) most field office employees have received

some level of information security training/awareness; (2) many information technology specialist/computer assistants in the field have not received recent formal IT training other than training regarding the Agency's new Integrated Mission System; and (3) that several field offices had not received a copy of the IT bulletin.

OIG was informed by the Office of Information Technology (OIT) that they are currently in the process of providing additional information security training to all Agency employees, as well as providing information technology specialist/computer assistants with a mechanism that will enable them to have access to more formal IT training. OIG also suggested that those offices who had not received a copy of the IT Security Bulletin be forwarded copies so that they could be distributed to their staffs.

### **Ongoing Audit and Evaluation Activities**

#### ***FY 2003 Financial Statement Audit of the Equal Employment Opportunity Commission***

Under the *Accountability of Tax Dollars Act of 2002*, the Equal Employment Opportunity Commission (EEOC) is now required to produce annual audited financial statements. To meet this new requirement, the Office of Inspector General has contracted with Cotton & Co. LLP to conduct the audit of the EEOC's FY 2003 financial statements in accordance with U.S. Government Auditing Standards. The auditors have completed their planning and interim work phases of the audit. They will begin their year-end testing starting in November 2003. A financial statement audit report including an audit opinion, is due by December 26, 2003. The audited FY 2003 financial statements are due to OMB by January 31, 2004. A management letter, addressing any internal control weaknesses discovered during the financial statement audit, will be issued by February 15, 2004.

#### ***EEOC's Progress in Implementing the President's Management Agenda***

In February 2002, the OIG issued a management advisory memorandum to the Chair, "*OMB Scorecard and EEOC*", in which OIG used the OMB developed core criteria to rate the Commission in each of the five initiatives of the President's Management Agenda (PMA). At that time "Red" lights were awarded in four of the five initiatives. A "Yellow" light was awarded in the initiative dealing with e-Government. Since that time, the Office of Management and Budget has developed specific accomplishments that agencies must have achieved in order to be awarded a "Red" or "Yellow" light in the OMB scoring process. We are currently in the process of interviewing managers with PMA responsibilities to obtain the status of planned actions and progress made since our last update in each of the initiatives. We plan to issue a management advisory update memorandum to the Chair in the first quarter of 2004.

***Draft Report - EEOC's Federal Managers' Financial Integrity Act (FMFIA) Procedures***

OIG has completed its review of the Commission's internal control evaluation process and compliance with the Office of Management and Budget (OMB) *Circular A-123, Management Accountability and Controls*. The circular provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations. Our review is an assessment of the data contained in the FY 2002 annual assurance statements, as well as other reports and data obtained from interviews and discussions with management officials. The review addressed the issues of outdated management control information, shortcomings in the FMFIA data gathering instrument, untimely submission of information to OIG for review, as well as other areas from selected headquarters and district offices. The report is expected to be released in the first quarter of FY 2004.

***Draft Report - Evaluation of EEOC's Performance Planning and Reporting Under the Government Performance and Results Act***

The *Government Performance and Results Act* (GPRA) of 1993 requires Federal agencies to prepare strategic plans, annual performance plans, and performance reports. OIG conducted a general assessment of the Agency's 2004 *Annual Performance Plan* and 2002 *Annual Performance Report* to determine how well EEOC reports and supports GPRA performance information. OIG found that these documents contain information that is useful in determining intended performance, credibility of performance data and progress towards meeting Agency goals. Although performance in these areas improved, OIG found some gaps between what EEOC reported and the standards outlined in GPRA reporting guidelines. OIG submitted the draft report to EEOC management for comment in September 2003. OIG plans to issue the final report in November 2003.

***Reducing Infrastructure Costs Through Increased Use of Telework***

Infrastructure, of which rent is the largest component, is EEOC's largest non-personnel cost. A previous OIG study (*Reducing Infrastructure Costs Through Increased Use of Telework Report Number 01-13-AMR*) found that implementation of frequent telework could result in substantial net savings for each of the four field offices we studied. The report served as the primary driver for development of an agency goal of reducing real estate costs by 35 percent in five years. In addition, OMB and GSA have cited the report as useful in EEOC's efforts to become more efficient.

OIG is conducting an evaluation of EEOC's Headquarters infrastructure use and space utilization. OIG is examining whether increased use of frequent telework (two times or more per week) may create options for improving effectiveness and efficiency of selected EEOC infrastructure, particularly office space and technology. Techniques of the evaluation included designing and building a cost model, and analyzing interview and focus group data gathered from over 100 headquarters employees. OIG plans to submit a draft report to EEOC management for comment in December, 2003.

### ***Assessment of the Agency's Integrated Mission System***

As previously mentioned, under *FISMA*, OIG is required to conduct an independent assessment of the Agency's compliance with the Act. During the reporting period, OIG held an entrance conference with the Office of Information Technology to initiate OIG's assessment of the Agency's Integrated Mission System (IMS). IMS consolidates and replaces several separate EEOC database systems including the Charge Data System, the Automated Outreach System and the Office of General Counsel's Litigation Tracking System. IMS provides an integrated database application to support intake, mediation, investigation, state and local contract processing, outreach, and litigation. This assessment will be conducted using the National Institute of Science and Technology's Self Assessment Guide for Information Technology Systems. A final report is expected to be released during the first quarter of FY'04.

### **Other Audit and Evaluation Activities**

#### ***Draft OIG Audit Manual***

OIG has completed updating the *Audit and Inspection Policy and Procedures Manual*. This manual will provide general guidance on policies and procedures to be followed by the OIG's auditors, evaluators and other personnel in the performance of their professional responsibilities. Currently, the draft manual is going through the OIG's internal review and approval process and is expected to be distributed during the first quarter of FY 2004.

#### ***Single Audit Act Reports***

*The Single Audit Act of 1984* requires recipients of federal funds to arrange for audits of their activities. Federal agencies that award these funds must review annual audit reports to determine whether prompt and appropriate corrective action has been taken in response to audit findings. During the reporting period, OIG reviewed 63 audit reports issued by public accounting firms, concerning Fair Employment Practices Agencies (FEPA) that have worksharing agreements with EEOC.

#### ***Audit Follow-Up***

As required by *Section 5(a)(3) of the Inspector General Act of 1978, as amended*, semiannual reports shall include identification of each significant recommendation previously reported on which corrective action has not been completed. OIG has no reports with recommendations previously reported to which corrective action has not been completed. *Section 5(a)(1) of the Inspector General Act of 1978, as amended*, requires that semiannual reports shall include a summary of each audit report issued before the commencement of the reporting period for which no management decision has been made by the end of the reporting period. OIG has no audit/evaluation reports that were issued before the commencement of the reporting period for which no management decision has been made by the end of the reporting period.

## The Investigation Program



The mission of the Investigation Program is to perform investigative activities related to the integrity of the EEOC's programs. Most of OIG's investigations focus on violations of law or misconduct by Agency employees as well as alleged irregularities or abuses in operations and programs. When needed, OIG investigators work in concert with other law enforcement entities. More than half of investigative inquiries result from employees and the general public calling OIG's 24-hour telephone hotline to report wrongdoing. A significant amount of these calls concern the discrimination complaint process and are referred to the appropriate EEOC program office.

OIG's Counsel to the IG (CIG) supervises the day-to-day operations of the Investigation Program, and provides independent legal advice on issues concerning criminal law and procedures, evidence, and administrative and constitutional law as they relate to OIG's investigative efforts. Counsel develops legal interpretations of appropriation law, financial management statutes and regulations, and procurement and funding rules in support of the OIG's audit program. The CIG reviews each report product for legal sufficiency. Additionally, the CIG conducts reviews and provides comments on existing and proposed legislation, regulations, directives and policy issues that affect EEOC and OIG programs and operations.

*The investigative work performed supports OIG's Strategic goal to focus its limited investigative resources on those issues that represent the greatest risk to the agency and offer the maximum opportunity to detect and prevent fraud, waste and abuse in EEOC programs and operations. This work also supports EEOC's Five-Point Plan initiative "EEOC as a Model Workplace".*

### Completed Investigations

#### *Unethical Acceptance of Gifts Valued Over \$500*

OIG completed an investigation into an allegation that an Agency employee accepted an offer for a position in the Senior Executive Service (SES) of another government agency and gifts valued over \$500, after speaking at a cultural diversity program hosted by the other Agency. It was alleged that the offer of employment and gifts were given in exchange for the EEOC employee adversely ruling against a complainant who filed a discrimination complaint against the other government agency. OIG determined that the Agency employee did not engage in any unethical or criminal misconduct and that the allegations were not meritorious.

### ***Falsification of Travel Vouchers***

OIG completed an investigation into an allegation that an Agency employee falsified travel vouchers with respect to claims for lodging expenses. After conducting a preliminary investigation into the allegations, OIG determined that the employee's actions did not evidence an intent to defraud the Government.

### ***Threat Against the Agency***

OIG was provided with information that alleged an individual had made threats against the Agency. After conducting appropriate background information on the subject and contacting other law enforcement agencies, OIG completed an assessment of the threat and determined that the threat level only warranted a heightened alert of security personnel. OIG forwarded a photograph of the subject and other pertinent information to the appropriate Agency officials.

### ***Misuse of Agency Logo***

OIG received a complaint alleging that a company had engaged in an unauthorized misappropriation of the EEOC logo in the publication of posters which were for sale. The posters were being sold under the premise that upon purchase a certificate of compliance would be issued by the company, thus meeting the posting requirements under Title VII. OIG reviewed the materials involved in the allegation and determined that no violation of any federal criminal statutes had occurred.

### ***Unauthorized EEOC Website***

OIG conducted a preliminary investigation to determine if a website allegedly created by an EEOC employee, which bore the EEOC's official seal, violated Agency policy prohibiting the establishment of domain names and web sites on behalf of, or related to, the EEOC without the proper authorization from the Agency's Chief Information Officer (CIO). Although, the website did not contain any confidential or sensitive information relative to the Agency's operations, it was not authorized by the CIO and therefore violated Agency policy. Based upon OIG's findings and recommendation, the website was removed.

## **Ongoing Investigative Activity**

### ***Falsification of Official Records***

OIG completed the field investigation into allegations that an Agency employee falsified documents related to several charges of discrimination. OIG is currently preparing to report its findings to appropriate authorities.

### ***Violations of Post Employment Restrictions***

OIG conducted the field investigative work into allegations that a former employee violated 18 U.S.C. § 207, on Post Employment Restrictions. After leaving the Agency the former employee became a consultant for a company involved in Agency activity, and during the course of this activity, the former employee is alleged to have attempted to influence Agency officials in a matter that the former employee played a direct and substantial role in prior to leaving the Agency. OIG expects to complete the field investigative work during the next reporting period.

### ***Prohibited Personnel Practices***

OIG began a field investigation into allegations of pre-selection of an employee for an investigator's position. It is alleged that the selecting official failed to allow other individuals to fairly compete for the vacant position and in doing so, engaged in prohibited personnel practices in violation of 5 U.S.C. §2302. OIG expects to complete the field investigative work during the next reporting period.

### ***Falsification of Time and Attendance***

OIG began a field investigation regarding allegations that an employee submitted altered medical certificates to receive advanced leave. It is alleged that the employee requested advanced leave on several occasions in relation to a medical condition, and submitted the altered medical statements to a supervisor. OIG anticipates completion of the field investigative activity during the next reporting period.

### ***Unethical Conduct***

OIG began a field investigation regarding allegations that an employee made inappropriate, sexual comments to female interviewees while conducting on-site interviews into a discrimination charge. It is further alleged that the employee's actions created the appearance of violating the law or the Government-wide standards of ethical conduct. OIG anticipates completion of the investigation during the next reporting period.

### ***False Impersonation of an EEOC Official***

OIG began an investigation regarding allegations that an individual, posing as an EEOC investigator, was investigating Carnival Cruise Lines, Inc. The individual posing as the investigator contacted employees at Carnival Cruises inquiring about discriminatory practices of the cruise line. OIG anticipates completion of this investigation during the next reporting period.

## Other OIG Activities

### EEOC Shelter In Place Program

OIG Investigative staff members serve as members of the Emergency Response Team and participated in the development and implementation of a Shelter in Place Program (SIPP) for the Agency. The SIPP program was developed in response to possible threats or other serious safety concerns employees may be subjected to as a result of terrorist acts or natural disasters.

### Legislative and Regulatory Matters

During the reporting period OIG reviewed proposed revisions of EEOC Orders or Management Bulletins on Processing Financial Disclosure Reports, EEOC Order No. 680.001, Collection Procedures for Funds Due the U.S. (Non-Revolving Funds), EEOC Order No. 470.003, Processing Complaints Under Section 508 of the Rehabilitation Act, EEOC Order No. 130.001, Financial Management Policy and Procedures, Coding Procedures for Financial Transactions and Financial Management Systems, EEOC Order No. 450.001, Clarification of relationship between the fact-finding/adjudication and agency defense functions in the EEO administrative complaint process, EEO-MB 100-2, and Management Accountability and Controls, EEOC Order No. 195.001.

### Professional Development Activities

The IG testified at a public Commission meeting on September 8, 2003 concerning the results of OIG's study, *Reducing Infrastructure Costs Through Increased Use of Telework: An Analysis of Four Field Offices*. This report generated much debate and provided valuable data on cost savings, technology requirements and telework options that can help achieve the goal of making EEOC a model workplace. The IG currently serves on the Legislative Committee of the President's Council on Integrity and Efficiency (PCIE), representing the Executive Council on Integrity and Efficiency (ECIE). In August, the IG delivered the graduation address for the Introductory Auditor Training Program at the Inspectors General Auditor Training Institute.

The CIG completed the PCIE's pilot Leadership Development Workshop, held at the Federal Executive Institute Center for Executive Leadership on August 3, through August 8, 2003. During the reporting period, the Counsel and Investigations staff members represented the OIG at the Council of Counsels to Inspectors General (CCIG), PCIE/ECIE Investigations Sub-Committee, the Interagency Ethics Council (IEC), and the Regional IG Council meetings.

The Senior Auditor attended the Federal Audit Executive Council's Conference held in Philadelphia, Pa. on May 7-9, 2003 and forums sponsored by the PCIE/ECIE relating to financial statement audits.

These included the “Treasury Accelerated Reporting Lessons Learned” presentation held on May 20, 2003 and the “Roundtable on Accelerated Financial Reporting Issues” on August 22, 2003. Additionally, the Senior Auditor represents EEOC at monthly Financial Statement Audit Network meetings and participated in the Agency’s Strategic Planning Work group, while the Staff auditor completed required speaking activities and was certified as a Competent Toastmaster.

The Senior Criminal Investigator attended the US Law Enforcement Conference, which included mini sessions on “Terrorist Groups: Identify and Protect from Future Attacks,” “Civil Disturbance: Protecting Yourself and your Community” and “Increasing the Safety and Effectiveness of Mobile Computers.” The staff Criminal Investigator, hired last reporting period, completed the Basic Criminal Investigator Training at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia.

The Senior Evaluator participated in the PCIE Inspections and Evaluations Roundtable, while the Management Analyst participated in the PCIE/ECIE Information Technology Roundtable.

### **Investigative Peer Reviews**

Counsel to the Inspector General participated in an ECIE Investigative Peer Review Working Group composed of several Counsels to Inspectors General which is reviewing legal issues associated with the ECIE’s initiation of voluntary investigative peer reviews.

### **Technology Update**

OIG’s continued activities to further modernize and standardize its information technology capabilities. During the period, the Semiannual Report to Congress was issued in hard copy and an electronic format via compact disk. The compact disk was distributed in both Hypertext Markup Language (HTML), as well as Portable Document Format (PDF). In support of OIG’s frequent telework pilot program, participants were fully equipped with state of the art equipment and will be provided with high speed internet access during FY 2004, enabling the same information access capabilities as in the central office.

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Section 5 (a) (2)	Recommendations With Respect to Significant Problems, Abuses and Deficiencies	N/A
Section 5 (a) (3)	Significant Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed	N/A
Section 5 (a) (4)	Matters Referred to Prosecutive Authorities	N/A
Section 5 (a) (5)	Summary of Instances Where Information Was Refused	N/A
Section 5 (a) (6)	List of Audit Reports	N/A
Section 5 (a) (7)	Summary of Significant Reports	N/A
Section 5 (a) (8)	Questioned and Unsupported Costs	N/A
Section 5 (a) (9)	Recommendations That Funds Be Put to Better Use	N/A
Section 5 (a) (10)	Summary of Audit Reports Issued Before the Commencement of the Reporting Period for Which No Management Decision Has Been Made	N/A
Section 5 (a) (11)	Significant Management Decisions That Were Revised During the Reporting Period	N/A
Section 5 (a) (12)	Significant Management Decisions With Which the OIG Disagreed	N/A

## APPENDIX

SINGLE AUDIT ACT REPORTS	
The Cheyenne Arapaho Tribes of Oklahoma, FY 2000	The State of Delaware, FY 2002
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The State of New Hampshire, FY 2001	The State of Wyoming, FY 2002
The State of New Hampshire, FY 2002	The Southern Ute Indian Tribe, FY 1999
The State of Maine, FY 2000	The Southern Ute Indian Tribe, FY 2000
The State of Maine, FY 2001	The Three Affiliated Tribes, FY 2000
The State of New York, FY 2001	The State of Nebraska, FY 2002
The State of New York, FY 2002	The Blackfeet Tribe of the Blackfeet Indian Reservation, FY 2001
The State of Massachusetts, FY 2001	The State of Alaska, FY 2001
The State of Massachusetts, FY 2002	The Spokane Tribe of Indians, FY 2000
The State of Vermont, FY 2000	The State of Oregon, FY 2002

<b>SINGLE AUDIT ACT REPORTS</b>	
The State of Vermont, FY 2001	The Mekan Tribal Council, FY 2001
The State of New Jersey, FY 2001	The Lummi Indian Business Council, FY 2000
The State of West Virginia, FY 2002	The Lummi Indian Business Council, FY 2001
The State of Idaho, FY 2002	The State of North Carolina, FY 2002
The State of Utah, FY 2002	The Pueblo of Zuni, FY 2001
The San Carlos Apache Tribe, FY 2001	The State of Louisiana, FY 2002
The Tohono O'odham Nation, FY 2001	The Cheyenne and Arapaho Tribes, FY 1999
The Metlakatla Indian Community, FY 2002	The State of Florida, FY 2002
The State of Virginia, FY 2002	The State of Oklahoma, FY 2002
The National Academy of Public Administration Foundation and Affiliate, FY 2002	The Tribal Council Cherokee Nation, FY 2002
The State of Indiana, FY 2002	The Sisseton Wahpeton Sioux Tribe, FY 2001
The State of Kentucky, FY 2002	The State of Colorado, FY 2002
The State of Connecticut, FY 2002	